

APPLICATION FOR HOMEOWNERS ASSISTANCE

IF: You are or were a servicemember, a Federal employee, a member of the Coast Guard, or a U.S. citizen employee of a nonappropriated fund instrumentality serving at or near a military installation which has been ordered to be closed in whole or in part, or has been closed to reduce the scope of operations;

AND: You own or owned your home near that installation;

AND: You will be or have been obliged to move away to obtain new work, are reassigned to another area, or are involuntarily unemployed;

You may be entitled to benefits under the Department of Defense Homeowners Assistance Program. For details on how you may qualify, see below.

THE LAW

Public Law 89-754, Section 1013, as amended, authorizes the Secretary of Defense to provide financial help to eligible homeowners serving or employed at or near military installations which were ordered closed or partially closed, realigned or were ordered to reduce the scope of operations. The Department of the Army acts as executive agent for DoD in administering the program for all military departments. Before the benefits can be paid, certain conditions must be met.

CONDITIONS

The Base Closure or Reduction Action.

There must be a decline in the market value of your home which can reasonably be shown to have been caused by the closure.

The Homeowner.

There are several circumstances which may qualify you to benefit from the Homeowners Assistance Program. As a servicemember, Federal employee (other than a temporary employee serving under a time limitation), member of the Coast Guard, or U.S. citizen employee of a nonappropriated fund instrumentality, you may qualify if your service assignment or your job is ended as a result of the closure or reduction.

Benefits may also be available to eligible personnel on permanent change of station moves during the period of continued market impact. Payment may not duplicate any payment received under any other law. Benefits under the program are not available to personnel of contractors.

Service Requirements.

You must have served at or have been employed at or near the installation when the closure or reduction was announced; OR

You must have transferred from the installation (or had your employment ended as a result of reduction-in-force) within the six months prior to the announcement; OR

Be serving overseas as a Federal employee, with existing reemployment rights at the time of the announcement.

Service Requirements. (Continued)

You must have transferred from the installation on an oversea tour within three years prior to the announcement.

At the time of the announcement, transfer or job termination, you must have been the owner-occupant of the dwelling (or have left it after being ordered into on-post housing during the six months before the announcement).

The Dwelling.

Your residence must be a one- or two-family dwelling which you both owned and occupied at the time of the announcement, transfer or termination of employment. In general, a trailer or mobile home will not qualify unless demounted and permanently affixed to land which is owned or held under a long (27.5 years) lease.

The Local Real Estate Market.

The law permits benefits if your property has decreased in value because of the announced closure or reduction so that it cannot be sold on "reasonable terms." Local market conditions and causal relationships between a base closure or reduction action and reduced home market values will be determined by the Government.

Finally, to qualify, you MUST:

Relocate beyond a normal commuting distance from the dwelling for which assistance is sought; OR

Be unemployed involuntarily and able to demonstrate such financial hardship that you are unable to meet your mortgage payments and related expenses.

BENEFITS

There are three ways you can be assisted. The decision of which method you use is up to you.

NOTE: You cannot receive benefits and continue to own your home.

You may choose:

(1) To take a cash payment to cover part of your losses resulting from a private sale of the dwelling; or

(2) To sell your house to the Government; or

(3) To be paid losses incurred as a result of the foreclosure of a mortgage on the dwelling.

Cash Payment.

If you have sold your dwelling, the amount to be paid to you cannot be more than the difference between (a) 95 percent of the fair market value of the property before the announcement; and (b) the market value at the time of the sale.

Example: A house had a market value of \$100,000 before the announcement. Ninety-five percent of that is \$95,000. If you sold the house for \$93,000 and that sum is accepted as the market value as of the time of sale, you will be paid \$2,000 (the difference between the value at the time of sale and 95 percent of the value before the announcement).

If there is a Federally insured or guaranteed mortgage on the property, a cash payment will not be made unless (a) the mortgage debt is paid off before or at the time the Homeowners Assistance Program payment is made; or (b) the mortgage is assumed by a purchaser satisfactory to the Federal agency insuring the mortgage.

Selling to the Government.

If you still own your dwelling and choose to sell it to the Government after having made a reasonable effort to sell the property, the amount to be paid to you cannot be more than 75 percent of the market value of the property before the announcement less the amount of outstanding mortgage balances, which the Government will pay or assume. If the outstanding mortgage balances are greater than 75 percent of the prior market value, the Government will take over your property and pay off or assume your mortgage liabilities but will not give you any cash payment.

Foreclosure.

If the lenders have foreclosed on the property, you may be reimbursed for amounts you paid out as a result of the foreclosure. This payment may include direct costs of foreclosure and expenses and liabilities enforceable under the terms of the loan agreement for the house. If these debts have not yet been paid, the Government may pay them on your behalf. This remedy is seldom used because of the availability of other remedies.

HOW TO APPLY

Attached to this instruction sheet is an Application for Homeowners Assistance. If you believe that you qualify for such assistance, read the application over carefully and answer completely each part which applies to you.

Please type or print, limiting each entry to the space provided. If there is not enough space for your answer, use the "Remarks" section on Page 4 of the form. Repeat the item number and give the additional information. If a date is required, enter year, month, and day (for example: June 1, 1995 would be 950601).

Your application must be reviewed by a department personnel office, military or civilian, for verification of your service or employment records and mailed to the appropriate office of the U.S. Army Corps of Engineers which administers the program on behalf of the Secretary of Defense.

The Corps of Engineers Office will notify you when your application is received.